FOR OHF USE

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2002
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2002)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: 0024356

Facility Name: Lee Manor

Address: 1301 Lee Street (Number) Des Plaines (City) 60018 (Zip Code)

County: Cook

Telephone Number: (847) 635-4000 **Fax #** (847) 827-5796

IDPA ID Number: 362998136001

Date of Initial License for Current Owners: 6/21/79

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
		X	"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Charles J. Fischer **Telephone Number:** (312) 634-3400
Please send copies of desk review and audit adjustments to address on this page

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/02 to 12/31/02 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider
(Signed) (Date)
(Type or Print Name)
(Title)

Paid Preparer
(Signed) SEE ACCOUNTANTS' COMPILATION REPORT (Date)
(Print Name and Title)
(Firm Name & Address) Altschuler, Melvoin and Glasser LLP, One South Wacker Drive, Suite 800, Chicago, IL 60606
(Telephone) (312) 634-3400 Fax # (312) 634-5518

MAIL TO: OFFICE OF HEALTH FINANCE
ILLINOIS DEPARTMENT OF PUBLIC AID
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	282	Skilled (SNF)	282	102,930	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	282	TOTALS	282	102,930	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Public Aid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	1,814	1,878	5,543	9,235	8
9	SNF/PED					9
10	ICF	49,282	11,366	729	61,377	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	51,096	13,244	6,272	70,612	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 68.60%

D. How many bed-hold days during this year were paid by Public Aid?
0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [X] NO [ ] Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 6/21/79

J. Was the facility purchased or leased after January 1, 1978?
YES [ ] Date NO [X]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 46 and days of care provided 4,843

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 12/31/02 Fiscal Year: 12/31/02

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	A. General Services											
1	Dietary	307,411	37,075	14,542	359,028		359,028		359,028			1
2	Food Purchase		293,864		293,864		293,864	(23,309)	270,555			2
3	Housekeeping	276,959	33,320		310,279		310,279		310,279			3
4	Laundry	59,422	33,003		92,425		92,425	(6,370)	86,055			4
5	Heat and Other Utilities			169,768	169,768		169,768		169,768			5
6	Maintenance	47,163	5,851	70,822	123,836		123,836	4,292	128,128			6
7	Other (specify):*											7
8	**TOTAL General Services**	690,955	403,113	255,132	1,349,200		1,349,200	(25,387)	1,323,813			8
	B. Health Care and Programs											
9	Medical Director			24,000	24,000		24,000		24,000			9
10	Nursing and Medical Records	3,119,183	272,745	17,029	3,408,957		3,408,957		3,408,957			10
10a	Therapy			611,059	611,059		611,059		611,059			10a
11	Activities	171,068	24,683	2,280	198,031		198,031		198,031			11
12	Social Services	74,037		3,084	77,121		77,121		77,121			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	3,364,288	297,428	657,452	4,319,168		4,319,168		4,319,168			16
	C. General Administration											
17	Administrative	138,824		66,000	204,824		204,824		204,824			17
18	Directors Fees											18
19	Professional Services			70,720	70,720		70,720	(2,346)	68,374			19
20	Dues, Fees, Subscriptions & Promotions			15,277	15,277		15,277	(5,408)	9,869			20
21	Clerical & General Office Expenses	186,419	51,356	40,706	278,481		278,481		278,481			21
22	Employee Benefits & Payroll Taxes			578,220	578,220		578,220	23,309	601,529			22
23	Inservice Training & Education			7,605	7,605		7,605		7,605			23
24	Travel and Seminar			1,317	1,317		1,317		1,317			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			233,831	233,831		233,831		233,831			26
27	Other (specify):*											27
28	**TOTAL General Administration**	325,243	51,356	1,013,676	1,390,275		1,390,275	15,555	1,405,830			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	4,380,486	751,897	1,926,260	7,058,643		7,058,643	(9,832)	7,048,811			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000. SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

**See schedule of adjustments attached at end of cost report.

Facility Name & ID Number Lee Manor #0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	D. Ownership											
30	Depreciation			60,713	60,713		60,713	154,288	215,001			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			61,027	61,027		61,027	244,957	305,984			32
33	Real Estate Taxes							367,950	367,950			33
34	Rent-Facility & Grounds			1,268,360	1,268,360		1,268,360	(1,268,360)				34
35	Rent-Equipment & Vehicles			4,326	4,326		4,326		4,326			35
36	Other (specify):*											36
37	**TOTAL Ownership**			1,394,426	1,394,426		1,394,426	(501,165)	893,261			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		130,516		130,516		130,516		130,516			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			154,395	154,395		154,395		154,395			42
43	Other (specify):* Nonallowable Costs			282,780	282,780		282,780	(282,780)				43
44	**TOTAL Special Cost Centers**		130,516	437,175	567,691		567,691	(282,780)	284,911			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	4,380,486	882,413	3,757,861	9,020,760		9,020,760	(793,777)	8,226,983			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

**** See schedule of adjustments attached at end of cost report.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms	(97)	20		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients	(6,370)	4		8
9	Non-Straightline Depreciation	44,567	30		9
10	Interest and Other Investment Income	(5,550)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(2,284)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(5,690)	43		18
19	Entertainment				19
20	Contributions	(863)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(217,660)	43		24
25	Fund Raising, Advertising and Promotional	(42,096)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(7,430)	43		26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule 5A	12,698			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (230,775)		$	30

OHF USE ONLY								
48		49		50		51		52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(563,002)		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (563,002)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (793,777)		37

***These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.**

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		x	$		38
39						39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Seneca Nursing Home, Inc. d/b/a Lee Manor Nursing Residence
Provider # 0024356
12.31.02

Schedule 5A

Page 5, Schedule VI, Line 29, Other

Adjustment Detail	Amount	Reference
Non-allowable dues	(525)	20
Travel & Seminar	(5,092)	43
Amortization of Deferred Maintenance	4,292	6
Xray Expense	(1,725)	43
Non-allowable Illinois Council on Long Term Care dues	(4,786)	20
Real Estate Refund Allowable	20,534	33
Total	12,698	

See Accountants' Compilation Report

Lee Manor

ID# 0024356

Report Period Beginning: 01/01/02

Ending: 12/31/02

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1		$		1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	0		49

STATE OF ILLINOIS — Summary A

Facility Name & ID Number Lee Manor # 0024356 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	(6,370)	0	0	0	0	0	0	0	0	0	0	(6,370)	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	(6,370)	0	0	0	0	0	0	0	0	0	0	(6,370)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Fees, Subscriptions & Promotions	(97)	0	0	0	0	0	0	0	0	0	0	(97)	20
21	Clerical & General Office Expenses	0	0	0	0	0	0	0	0	0	0	0	0	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	**TOTAL General Administration**	(97)	0	0	0	0	0	0	0	0	0	0	(97)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(6,467)	0	0	0	0	0	0	0	0	0	0	(6,467)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lee Manor # 0024356 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	44,567	109,721	0	0	0	0	0	0	0	0	0	154,288	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(5,550)	250,507	0	0	0	0	0	0	0	0	0	244,957	32
33	Real Estate Taxes	0	345,070	0	0	0	0	0	0	0	0	0	345,070	33
34	Rent-Facility & Grounds	0	(1,268,360)	0	0	0	0	0	0	0	0	0	(1,268,360)	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	**TOTAL Ownership**	39,017	(563,062)	0	0	0	0	0	0	0	0	0	(524,045)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(276,023)	60	0	0	0	0	0	0	0	0	0	(275,963)	43
44	**TOTAL Special Cost Centers**	(276,023)	60	0	0	0	0	0	0	0	0	0	(275,963)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(243,473)	(563,002)	0	0	0	0	0	0	0	0	0	(806,475)	45

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
GAMMA Trusts	45	See schedule 6A		Seneca Building		
Estate of Eva Dimas	45			Limited Partnership	Des Plaines	Lessor
Chester Plodzien	10					

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	33	Real Estate Taxes	$	Seneca Building Limited Partnership	100.00%	$ 13,795	$ 13,795	1
2	V	30	Depreciation		Seneca Building Limited Partnership	100.00%	109,721	109,721	2
3	V	32	Interest		Seneca Building Limited Partnership	100.00%	250,507	250,507	3
4	V	33	Real Estate Taxes		Seneca Building Limited Partnership	100.00%	331,275	331,275	4
5	V	34	Rent	1,268,360	Seneca Building Limited Partnership	100.00%		(1,268,360)	5
6	V	43	State replacement		Seneca Building Limited Partnership	100.00%	60	60	6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 1,268,360			$ 705,358	$ * (563,002)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Seneca Nursing Home, Inc. d/b/a Lee Manor Nursing Residence
Provider #0024356
12/31/2002 **Schedule 6A**

Page 6, Schedule VII, Part A: Related Nursing Home

Name	City
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

See Accountants' Compilation Report

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week: Hours	Percent	Compensation Included in Costs for this Reporting Period**: Description	Amount	Schedule V. Line & Column Reference	
1	Chester Plodzien	Owner/Officer	Administrative	10.00	None	40+	100.00	Salary	$ 48,000	L17, C1	1
2	Chester Plodzien	Owner/Officer	Administrative	10.00	None	40+	100.00	Mgmt. Fee	6,000	L17, C3	2
3	Nicholas Vangel	Administrative	Administrative	0.00	23,609	8+	20.00	Mgmt. Fee	30,000	L17, C3	3
4	Jason Samatas	Administrative	Administrative	0.00	121,231	8+	20.00	Mgmt. Fee	30,000	L17, C3	4
5											5
6											6
7			See schedules 7A & 7B								7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$ 114,000		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Lee Manor
0024356
12/31/02

Schedule 7A

VII. RELATED PARTIES (continued)
C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

	Nicholas Vangel
Butterfield Health Care II, Inc. d/b/a Meadowbrook Manor-Naperville	10,404
Butterfield Health Care, Inc. d/b/a Meadowbrook Manor-Bollingbrook	13,205
	23,609

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [ ] NO [X]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
Fax Number ( )

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
3										3
4				N/A						4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related											
	Long-Term											
1	Mid North Financial Svcs., Inc.		X	Mortgage	$30,415.00	12/31/98	$ 4,000,000	$ 3,575,565	01/01/09	0.0675	$ 245,084	1
2												2
3												3
4												4
5												5
	Working Capital											
6	LaSalle National Bank		X	Line of Credit	Interest Only	07/01/98	1,058,284	1,550,000	06/30/03	0.0414	61,027	6
7												7
8												8
9	TOTAL Facility Related				$30,415.00		$ 5,058,284	$ 5,125,565			$ 306,111	9
	B. Non-Facility Related*											
10								Interest Income Offset			(5,550)	10
11								Amortization of Mortgage Costs			4,048	11
12								Miscellaneous Interest			1,375	12
13												13
14	TOTAL Non-Facility Related						$	$			$ (127)	14
15	TOTALS (line 9+line14)						$ 5,058,284	$ 5,125,565			$ 305,984	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2001 report.	*Important*, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	$ 396,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2001	$ 387,138	2
3. Under or (over) accrual (line 2 minus line 1).		$ (8,862)	3
4. Real Estate Tax accrual used for 2002 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 395,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.		$ 16,141	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND $ 54,161 For 1998-2000 Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		$ (34,329)	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 367,950	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:		
1997	356,003	8
1998	369,879	9
1999	378,916	10
2000	384,758	11
2001	387,138	12

2001 taxes	387,138
Estimated Increase - 2%	7,743
Estimated 2002 taxes	394,881
Use:	395,000

*** Calculation includes $702 from 1995 tax appeal received in 2002.

	FOR OHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2001	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2001 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2001 real estate tax costs, as well as copies of your real estate tax bills for calendar 2001.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2001 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2002 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, [illegible]

2001 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lee Manor COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0024356

CONTACT PERSON REGARDING THIS REPORT Chester Plodzien

TELEPHONE (847) 635-4000 FAX #: (847) 827-5796

A. **Summary of Real Estate Tax Cos**

Enter the tax index number and real estate tax assessed for 2001 on the lines provided below. Enter only the portion of tl cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursir home property which is vacant, rented to other organizations, or used for purposes other than long term care must not l entered in Column D. Do not include cost for any period other than calendar year 200l

	(A) Tax Index Numbe	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	09-20-400-033-000	Seneca Nursing Home	$ 387,138.00	$ 387,138.00
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 387,138.00	$ 387,138.00

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? _____ YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing hom (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used

C. **Tax Bills**

Attach a copy of the 2001 tax bills which were listed in Section A to this statement. Be sure to use the 2001 tax bill whic is normally paid during 2002.

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 106,300 B. General Construction Type: Exterior Brick Frame Fire-proof Brick Number of Stories 5

C. Does the Operating Entity? [ ] (a) Own the Facility [X] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.

D. Does the Operating Entity? [ ] (a) Own the Equipment [X] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] NO
If so, please complete the following:

1. Total Amount Incurred: N/A
2. Number of Years Over Which it is Being Amortized: N/A
3. Current Period Amortization: N/A
4. Dates Incurred: N/A

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Land	110,000	1977	$ 273,400	1
2					2
3	TOTALS	110,000		$ 273,400	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	272		1979	1979	$ 4,087,968	$ 109,717	40	$ 102,999	$ (6,718)	$ 2,417,398	4
5			1979	1979	337,653		40	8,441	8,441	197,826	5
6	10		1985	1985	226,649		40	6,475	6,475	113,313	6
7											7
8											8
	Improvement Type**										
9	Improvements			1979	6,000		N/A				9
10	Improvements			1981	42,962	3	20	1,971	1,968	42,962	10
11	Audit Adjustment			1979	2,779		40	69	69	1,628	11
12	Audit Adjustment			1981	90,599		40	2,265	2,265	10,437	12
13	Improvements			1983	46,881	743	20	2,344	1,601	46,213	13
14	Audit Adjustment			1984	25,000		20	1,250	1,250	21,875	14
15	Improvements			1986	36,400	1,893	20	1,820	(73)	30,030	15
16	Improvements			1988	8,536	271	31.5	271		3,817	16
17	Improvements			1989	7,785	247	31.5	311	64	4,302	17
18	Improvements			1989	9,621	306	15	641	335	8,540	18
19	Improvements			1991	18,843	1,840	15	1,256	(584)	14,357	19
20	Improvements			1992	61,618	1,956	20	3,081	1,125	33,121	20
21	Improvements			1993	4,548	117	20	227	110	2,157	21
22	Improvements			1993	36,719	3,974	40	917	(3,057)	8,253	22
23	Improvements			1994	16,738	1,634	40	418	(1,216)	3,553	23
24	Improvements			1994	8,299	213	40	1,037	824	8,297	24
25	Improvements			1995	8,287	212	40	415	203	3,112	25
26	Improvements			1995	87,711		40	2,156	2,156	16,188	26
27	Brick work			1996	3,040	78	20	152	74	988	27
28	Roof replacement			1996	1,465	38	20	73	35	475	28
29	Facia, overhang renovation			1996	75,200	2,261	39	1,902	(359)	12,376	29
30	Hot water heater			1996	16,084	491	39	417	(74)	2,708	30
31	Insulation			1997	38,770	892	39	994	102	5,467	31
32	Roofing			1997	5,875		39	150	150	825	32
33											33
34											34
35											35
36											36

*Total beds on this schedule must agree with page 2.

See Page 12A, Line 70 for total

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	Refurbishing of hallways and patient rooms	1997	$ 59,595	$	20	$ 2,980	$ 2,980	$ 16,619	37
38	Tile	1997	20,696		20	1,035	1,035	5,772	38
39	Electrical improvements	1997	4,112		20	206	206	1,149	39
40	Plumbing improvements	1997	3,773		20	188	188	1,049	40
41	Basement remodeling	1998	13,578	347	20	679	332	3,055	41
42	Smoke dampers	1998	2,235	57	20	112	55	504	42
43	Circulating pump	1998	2,630	67	20	132	65	594	43
44	Fire alarm system	1998	4,715	121	20	236	115	1,062	44
45	Compressor	1998	7,653	196	20	382	186	1,719	45
46	Boiler valve	1998	3,233	83	20	162	79	729	46
47	Window glazing	1998	2,566	66	20	128	62	576	47
48	Landscaping - stones	1998	977	25	20	48	23	216	48
49	Patio brick	1998	2,590	66	20	130	64	585	49
50	Ceiling tiles	1998	2,233		20	112	112	504	50
51	Window treatments	1998	2,470		20	124	124	558	51
52	Sliding Doors	1999	854	22	20	43	21	150	52
53	Air Conditioning Improvements	1999	685	18	20	34	16	119	53
54	Code Alert Wanderer System	1999	511	13	20	26	13	91	54
55	Elevator Upgrade	1999	50,000	1,282	20	2,500	1,218	8,750	55
56	Roof Improvements	1999	3,567	91	20	178	87	623	56
57	Hallway renovation - ceiling tiles, wiring, painting, doors and tile	2000	40,411	1,036	39	1,036		2,709	57
58	Elevators	2000	20,000	513	39	513		1,433	58
59	Hallway renovation - labor	2000	9,048	232	39	232		609	59
60	Hallway renovation - materials, painting & labor	2000	7,303	187	39	187		477	60
61	Painting - labor	2000	2,859	73	39	73		186	61
62	Compressors	2000	20,674	530	39	530		1,127	62
63	Windows	2000	91,557	2,348	39	2,348		4,990	63
64	Automatic doors	2000	1,985	51	39	51		142	64
65	Painting - labor	2000	11,630	298	39	298		708	65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 5,706,170	$ 134,608		$ 156,755	$ 22,147	$ 3,067,023	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 5,706,170	$ 134,608		$ 156,755	$ 22,147	$ 3,067,023	1
2	Furnace room improvements	2001	3,259	84	39	84		150	2
3	Third Floor Remodeling	2001	72,480	1,858	39	1,858		2,318	3
4	Fourth Floor Remodeling	2001	64,481	1,653	39	1,653		1,721	4
5	Water heater, wallpaper & tile	2001	19,553	501	39	501		940	5
6	Remodeling	2001	5,768	148	39	148		241	6
7	Window Systems	2001	8,059	207	39	207		405	7
8	Rennovation Floor 2 & 5, balance of Floor 3 & 4	2002	340,426	4,735	39	4,735		4,735	8
9	Rennovation Floor 1, residual of Floor 2 & 5	2002	181,976	195	39	195		195	9
10	Building Signs	2002	1,449	11	39	11		11	10
11	Beauty Parlor	2002	681	2	39	2		2	11
12	Alarm	2002	893	12	39	12		12	12
13	Door enunciator	2002	1,944	27	39	27		27	13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 6,407,139	$ 144,041		$ 166,188	$ 22,147	$ 3,077,780	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 508,557	$ 44,680	$ 44,680	$	Various	$ 323,402	71
72	Current Year Purchases	28,924	4,133	4,133		7 years	4,133	72
73	Fully Depreciated Assets	561,041					561,041	73
74								74
75	TOTALS	$ 1,098,522	$ 48,813	$ 48,813	$		$ 888,576	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				$	$	$	$		$	76
77										77
78										78
79										79
80	TOTALS			$	$	$	$		$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 7,779,061	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 192,854	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 215,001	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 22,147	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 3,966,356	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease .

9. Option to Buy: ☐ YES ☐ NO Terms: *

10. Effective dates of current rental agreement:
Beginning
Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2003	$
13.	/2004	$
14.	/2005	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☒ NO

16. Rental Amount for movable equipment: $ 4,326 Description: Office Copier $4,326
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18	N/A				18
19					19
20					20
21	TOTAL		$	$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?
   [ ] YES
   [X] NO

It is the policy of this facility to only hire certified nurses aides.

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER AIDE ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER AIDE ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.
(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	L10a, C3	hrs	$	15,520	$ 217,286	$	15,520	$ 217,286	1
2	Licensed Speech and Language Development Therapist	L10a, C3	hrs		6,474	90,645		6,474	90,645	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10a, C3	hrs		27,557	303,128		27,557	303,128	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				130,516		130,516	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):									13
14	TOTAL			$	49,551	$ 611,059	$ 130,516	49,551	$ 741,575	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/02 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 62,989	$ 183,987	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 60,000)	1,504,068	1,504,068	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	120,207	120,207	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	1,483,669	1,483,669	8
9	Other(specify): See Schedule 17A		252,356	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 3,170,933	$ 3,544,287	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		273,400	13
14	Buildings, at Historical Cost		4,298,644	14
15	Leasehold Improvements, at Historical Cost	1,632,220	2,108,495	15
16	Equipment, at Historical Cost	1,103,834	1,098,522	16
17	Accumulated Depreciation (book methods)	(1,375,117)	(3,966,356)	17
18	Deferred Charges		1,624	18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Mortgage Costs		28,334	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 1,360,937	$ 3,842,663	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 4,531,870	$ 7,386,950	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 254,623	$ 254,623	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	455,099	455,099	28
29	Short-Term Notes Payable	1,550,000	1,550,000	29
30	Accrued Salaries Payable	212,131	212,131	30
31	Accrued Taxes Payable (excluding real estate taxes)	151,722	151,722	31
32	Accrued Real Estate Taxes(Sch.IX-B)		395,000	32
33	Accrued Interest Payable	6,063	26,176	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Schedule 17A	1,021,454	1,606,566	36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 3,651,092	$ 4,651,317	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		3,575,565	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$	$ 3,575,565	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 3,651,092	$ 8,226,882	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 880,778	$ (839,932)	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 4,531,870	$ 7,386,950	48

SEE ACCOUNTANTS' COMPILATION REPORT

***(See instructions.)**

Seneca Nursing Home, Inc. d/b/a Lee Manor Nursing Residence
Provider # 0024356
12/31/2002

Schedule 17A

XV. Balance Sheet

A. Current Assets	Operating	After Consolidation
Line 9 - Other assets		
Escrow - RE taxes	0	252,356
Total - line 9	-	252,356

C. Current Liabilities	Operating	After Consolidation
Line 36 - Other current liabilities		
Accrued Assessment Fee	38,915	38,915
Accrued Rent	885,924	1,464,122
Accrued Insurance	88,563	88,563
Due to related party		6,914
401(k) Withholding	8,052	8,052
Total - line 36	1,021,454	1,606,566

See Accountants' Compilation Report

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total		
1	**Balance at Beginning of Year, as Previously Reported**	$ 610,138	1	
2	Restatements (describe):		2	
3			3	
4			4	
5			5	
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 610,138	6	
	A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	270,640	7	
8	Aquisitions of Pooled Companies		8	
9	Proceeds from Sale of Stock		9	
10	Stock Options Exercised		10	
11	Contributions and Grants		11	
12	Expenditures for Specific Purposes		12	
13	Dividends Paid or Other Distributions to Owners	( )	13	
14	Donated Property, Plant, and Equipment		14	
15	Other (describe)		15	
16	Other (describe)		16	
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ 270,640	17	
	B. Transfers (Itemize):			
18			18	
19			19	
20			20	
21			21	
22			22	
23	**TOTAL Transfers (sum of lines 18-22)**	$	23	
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 880,778	24	*

Operating Entity Only

*** This must agree with page 17, line 47.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 11,394,764	1
2	Discounts and Allowances for all Levels	(3,378,996)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 8,015,768	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,079,338	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 1,079,338	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	146,151	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	7,116	19
20	Radiology and X-Ray		20
21	Other Medical Services	31,107	21
22	Laundry	6,370	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 190,744	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	5,550	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 5,550	26
	E. Other Revenue (specify):**		
27	**Settlement Income (Insurance, Legal, Etc.)**		27
28			28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 9,291,400	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,349,200	31
32	Health Care	4,319,168	32
33	General Administration	1,390,275	33
	B. Capital Expense		
34	Ownership	1,394,426	34
	C. Ancillary Expense		
35	Special Cost Centers	413,296	35
36	Provider Participation Fee	154,395	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 9,020,760	40
41	**Income before Income Taxes (line 30 minus line 40)****	270,640	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 270,640	43

* **This must agree with page 4, line 45, column 4.**

** **Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.**

*** **See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.** **SEE ACCOUNTANTS' COMPILATION REPORT**

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	2,080	2,080	$ 65,003	$ 31.25	1
2	Assistant Director of Nursing	4,028	4,107	105,421	25.67	2
3	Registered Nurses	54,728	59,799	1,425,814	23.84	3
4	Licensed Practical Nurses	3,913	4,285	89,917	20.98	4
5	Nurse Aides & Orderlies	111,718	119,433	1,307,907	10.95	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	7,497	8,026	88,230	10.99	8
9	Activity Director	2,987	3,051	31,202	10.23	9
10	Activity Assistants	16,535	17,398	139,866	8.04	10
11	Social Service Workers	6,745	7,077	74,037	10.46	11
12	Dietician					12
13	Food Service Supervisor	2,516	2,623	43,523	16.59	13
14	Head Cook	1,440	1,440	16,177	11.23	14
15	Cook Helpers/Assistants	12,234	13,403	130,188	9.71	15
16	Dishwashers	21,040	22,246	117,523	5.28	16
17	Maintenance Workers	4,057	4,388	47,163	10.75	17
18	Housekeepers	37,079	39,614	276,959	6.99	18
19	Laundry	8,123	8,875	59,422	6.70	19
20	Administrator	1,826	1,898	57,104	30.09	20
21	Assistant Administrator	1,814	1,958	33,720	17.22	21
22	Other Administrative	2,000	2,080	48,000	23.08	22
23	Office Manager					23
24	Clerical	10,248	11,182	186,419	16.67	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	3,497	3,641	36,891	10.13	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	316,105	338,604	$ 4,380,486 *	$ 12.94	34

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	348	$ 14,542	L1, C3	35
36	Medical Director	Monthly	24,000	L9, C3	36
37	Medical Records Consultant	20	1,000	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	300	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	48	2,280	L11, C3	44
45	Social Service Consultant	51	2,384	L12, C3	45
46	Other(specify)				46
47	See Schedule 20B	243	16,429		47
48					48
49	TOTAL (lines 35 - 48)	710	$ 60,935		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses	N/A	$		50
51	Licensed Practical Nurses				51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		$		53

SEE ACCOUNTANTS' COMPILATION REPORT

* This total must agree with page 4, column 1, line 45.

** See instructions.

Seneca Nursing Home, Inc. d/b/a Lee Manor Nursing Residence
Provider # 0024356
12.31.02

Schedule 20B

XVIII. Staffing and Salary Costs

B. Consultant Services - Line 47

	Number of Hrs. Paid & Accrued	Cost for Reporting Period	Schedule V Line & Column Reference
Rehab Consultant	Monthly	2,183	L10, C3
Religious Consultant	Monthly	700	L12, C3
Physical Rehabilitation Consultant	203	11,156	L10, C3
Occupational Rehabilitation Consultant	40	2,390	L10, C3
Total - to line 47	243	16,429	

See Accountants' Compilation Report

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Dawn Cohn	Administrator	0	$ 57,104
Sean Dimas	Asst. Administrator	0	33,720
Chester Plodzien	Administrative	10	48,000
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 138,824

B. Administrative - Other

Description	Amount
Management Fees	$ 66,000
TOTAL (agree to Schedule V, line 17, col. 3)	$ 66,000
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
American Express TBS	Accounting	$ 37,924
Altschuler, Melvoin & Glasser	Accounting	9,363
ADP	Data Processing	10,190
Personnel Planners, Inc.	U/C Consulting	740
James Samatas	Legal	75
Schiff, Hardin & Waite	Legal	4,057
Donald Zimmerman & Associates	Appraisal	3,000
New England Financial	Financial	3,025
McCracken, Walsh, de LaVan	Legal	2,346
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $2500 attach copy of invoices.)		$ 70,720

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 68,363
Unemployment Compensation Insurance	22,312
FICA Taxes	326,220
Employee Health Insurance	127,099
Employee Meals	23,309
Illinois Municipal Retirement Fund (IMRF)*	
401(k) Contribution	26,196
Other Employee Benefits	8,030
TOTAL (agree to Schedule V, line 22, col.8)	$ 601,529

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
		$
N/A		
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	
Health Care Worker Background Check	
(Indicate # of checks performed 23)	276
Miscellaneous dues & subcriptions	2,793
Miscellaneous licenses & permits	870
Illinois Council on Long-Term Care	5,930
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 9,869

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	1,317
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 1,317

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

Seneca Nursing Home Inc. d/b/a Lee Manor Nursing Residence
Provider #: 0024356
1/1/2002 to 12/31/2002

Schedule 21A

XIX. SUPPORT SCHEDULE
C. Professional Services

Total (agree to Schedule V, line 19, column 3)	70,720
Allocated from Management Company	
Reclass Real Estate Legal	(2,346)
Total (agree to Schedule V, line 19, column 8)	68,374

See Accountants' Compilation Report

Facility Name & ID Number Lee Manor # 0024356 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
1	Painting and Decorating	Various 1998	$ 10,181	36 mo.	$ 4,072	$ 4,072	$ 2,037	$	$	$	$	$	$
2	Painting and Decorating	Various 1999	6,270	36 mo.	1,045	2,090	2,090	1,045					
3	Painting and Decorating	Various 2000	4,058	36 mo.		676	1,353	1,353	676				
4	HVAC Repairs & Maint.	May 2000	1,609	36 mo.		268	536	536	269				
5	HVAC Repairs & Maint.	August 2000	4,074	36 mo.		679	1,358	1,358	679				
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$ 26,192		$ 5,117	$ 7,785	$ 7,374	$ 4,292	$ 1,624	$	$	$	$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lee Manor # 0024356 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **ICLTC - $5,930**

(3) Did the nursing home make political contributions or payments to a politica action organization? **No** If YES, have these costs been properly adjusted out of the cost report? **N/A**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **7 years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **N/A** Line **N/A**

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **N/A**

(9) Are you presently operating under a sublease agreement? ____ YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES ____ NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over
N/A

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. $ **154,395**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **No** If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

(13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **No** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **23,309** Has any meal income been offset against related costs? **N/A** Indicate the amount. $ **N/A**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **N/A**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **No**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **Yes**
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name: **N/A** The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? **N/A** If no, please explain. **N/A**

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $2500, have legal invoices and a summary of services performed been attached to this cost report? **Yes**
Attach invoices and a summary of services for all architect and appraisal fees.

RECONCILIATION REPORT **Lee Manor** **03:20 PM** **11/04/05**

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CELL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-793,777	equal to	-793,777	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	305,984	equal to	305,984	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	367,950	equal to	367,950	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	215,001	equal to	215,001	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	0	equal to	0	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	4,326	equal to	4,326	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages		equal to		0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	611,059	equal to	611,059	0	O.K.	Pg16 Z12+Z14..Z16 & Pg 20 X17..X20	N/A;B	1-4;40-43	8;2	Pg3 H20	N/A	1Oa	4
Special Serv.- Supplies	130,516	equal to	130,516	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	1,349,200	equal to	1,349,200	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	4,319,168	equal to	4,319,168	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Admininstation	1,390,275	equal to	1,390,275	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	1,394,426	equal to	1,394,426	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	413,296	equal to	413,296	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+H	N/A	38to41+43	4
Income Stat. Prov. Partic.	154,395	equal to	154,395	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	3,030,953	equal to	3,119,183	-88,230	FAILED	Pg20 K11..K15+K35+K36+K38..K44	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to		0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to		0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	171,068	equal to	171,068	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	74,037	equal to	74,037	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	307,411	equal to	307,411	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	47,163	equal to	47,163	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	276,959	equal to	276,959	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	59,422	equal to	59,422	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	138,824	equal to	138,824	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	186,419	equal to	186,419	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to		0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	4,380,486	equal to	4,380,486	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	14,542	< or = to	14,542	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	24,000	< or = to	24,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	1,300	< or = to	17,029	-15,729	O.K.	Pg20 X14..X16+X37..X39	B. & C.	ȝ7to39 and 50to5	2	Pg3 G19	N/A	10	3
Activity Consultant	2,280	< or = to	2,280	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	2,384	< or = to	3,084	-700	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	138,824	equal to	138,824	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	66,000	equal to	66,000	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	70,720	equal to	70,720	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	601,529	equal to	601,529	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	9,869	equal to	9,869	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	1,317	equal to	1,317	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	154,395	equal to	154,395	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	23,309	< or = to	23,309	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	23,309	equal to	23,309	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to		0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	4,843	equal to	5,543	-700	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	-563,002	equal to	-563,002	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6I Y4(	B.	14	8
Total loan balance	5,125,565	equal to	5,125,565	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27..	N/A	29+39-41	2
Real estate tax accrual	395,000	equal to	395,000	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	273,400	equal to	273,400	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	6,407,139	equal to	6,407,139	0	O.K.	Pg12 to 12I L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	1,098,522	equal to	1,098,522	0	O.K.	Pg13 O22+L13	C.& D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	3,966,356	equal to	3,966,356	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	880,778	equal to	880,778	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	270,640	equal to	270,640	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	1,624	equal to	1,624	0	O.K.	Pg22 F31-J31..S31	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	4,531,870	equal to	4,531,870	0	O.K.	Pg17:H41		25	1	Pg17 S41	N/A	48	1

	Salaries	Supplies	Other	Total	Reclass-ifications	Reclassified Total	Adjustmen	Adjusted Total
1. Dietary	307,411	37,075	14,542	359,028	0	359,028	0	359,028
2. Food Purchase	0	293,864	0	293,864	0	293,864	-23,309	270,555
3. Housekeeping	276,959	33,320	0	310,279	0	310,279	0	310,279
4. Laundry	59,422	33,003	0	92,425	0	92,425	-6,370	86,055
5. Heat and Other Utilities	0	0	169,768	169,768	0	169,768	0	169,768
6. Maintenance	47,163	5,851	70,822	123,836	0	123,836	4,292	128,128
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	690,955	403,113	255,132	1,349,200	0	1,349,200	-25,387	1,323,813
9. Medical Director	0	0	24,000	24,000	0	24,000	0	24,000
10. Nursing & Medical Records	3,119,183	272,745	17,029	3,408,957	0	3,408,957	0	3,408,957
10a. Therapy	0	0	611,059	611,059	0	611,059	0	611,059
11. Activities	171,068	24,683	2,280	198,031	0	198,031	0	198,031
12. Social Services	74,037	0	3,084	77,121	0	77,121	0	77,121
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	3,364,288	297,428	657,452	4,319,168	0	4,319,168	0	4,319,168
17. Administrative	138,824	0	66,000	204,824	0	204,824	0	204,824
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	70,720	70,720	0	70,720	-2,346	68,374
20. Fees, Subscriptions & Promotion	0	0	15,277	15,277	0	15,277	-5,408	9,869
21. Clerical & General Office	186,419	51,356	40,706	278,481	0	278,481	0	278,481
22. Employee Benefits & Payroll	0	0	578,220	578,220	0	578,220	23,309	601,529
23. Inservice Training & Education	0	0	7,605	7,605	0	7,605	0	7,605
24. Travel and Seminar	0	0	1,317	1,317	0	1,317	0	1,317
25. Other Admin. Staff Trans	0	0	0	0	0	0	0	0
26. Insurance-Prop.Liab.Malpractice	0	0	233,831	233,831	0	233,831	0	233,831
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	325,243	51,356	1,013,676	1,390,275	0	1,390,275	15,555	1,405,830
29. Total General Administrative	4,380,486	751,897	1,926,260	7,058,643	0	7,058,643	-9,832	7,048,811
30. Depreciation	0	0	60,713	60,713	0	60,713	154,288	215,001
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	61,027	61,027	0	61,027	244,957	305,984
33. Real Estate	0	0	0	0	0	0	367,950	367,950
34. Rent - Facility & Grounds	0	0	1,268,360	1,268,360	0	1,268,360	########	0
35. Rent - Equipment & Vehicles	0	0	4,326	4,326	0	4,326	0	4,326
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,394,426	1,394,426	0	1,394,426	-501,165	893,261
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	130,516	0	130,516	0	130,516	0	130,516
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	154,395	154,395	0	154,395	0	154,395
43. Other (specify):*	0	0	282,780	282,780	0	282,780	-282,780	0
44. Total Special Cost Ce	0	130,516	437,175	567,691	0	567,691	-282,780	284,911
45. Grand Total	4,380,486	882,413	3,757,861	9,020,760	0	9,020,760	-793,777	8,226,983

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	62,989	183,987
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Recievable	1,504,068	1,504,068
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	120,207	120,207
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related	1,483,669	1,483,669
9. Other (specify):	0	252,356
10. Total current assets	162,797	536,151
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	273,400
14. Buildings, at Historical Cost	0	4,298,644
15. Leasehold Improvements, Historical	1,632,220	2,108,495
16. Equipment, at Historical Cost	1,103,834	1,098,522
17. Accumulated Depreciation (book me	-1,375,117	-3,966,356
18. Deferred Charges	0	1,624
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	0
23. other (specify):	0	28,334
24. Total Long-Term Assets	1,360,937	3,842,663
25. Total Assets	1,523,734	4,378,814
CURRENT LIABILITIES		
26. Accounts Payable	254,623	254,623
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	455,099	455,099
29. Short-Term Notes Payable	1,550,000	1,550,000
30. Accrued Salaries Payable	212,131	212,131
31. Accrued Taxes Payable	151,722	151,722
32. Accrued Real Estate Taxes	0	395,000
33. Accrued Interest Payable	6,063	26,176
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	1,021,454	1,606,566
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	3,651,092	4,651,317
LONG TERM LIABILITES		
39.Long-Term Notes Payable	0	0
40.Mortgage Payable	0	3,575,565
41.Bonds Payable	0	0
42.Deferred Compensation	0	0
43.Other Long-Term Liabilities (specify)	0	0
44.Other Long-Term Liabilities (specify)	0	0
45.Total Long-Term Liabilities	0	3,575,565
46.Total Liabilities	3,651,092	8,226,882
47.Total Equity	880,778	-3,848,068
48.Total Liabilities and Equity	4,531,870	4,378,814

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	11,394,764
2. Discounts and Allowances for all Levels	-3,378,996
Subtotal - Inpatient Care	8,012,127
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	1,079,338
7. Oxygen	0
Subtotal - Anciliary Revenue	1,079,338
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	0
14. Non-Patient Meals	0
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	146,151
18. Sale of Supplies to Non-Patients	0
19. Laboratory	7,116
20. Radiologyand X-Ray	0
21. Other Medical Services	31,107
22. Laundry	6,370
Subtotal - Other Operating Revenue	190,744
24. Contributions	0
25. Interest and Other Investments Income	5,550
Subtotal - Non-Operating Revenue	5,550
27. Other Revenue (specify):	0
28. Other Revenue (specify):	0
Subtotal - Other Revenue	0
30. Total Revenue	9,291,400
31. General Services	1,349,200
32. Health Care	4,319,168
33. General Administration	1,390,275
34. Ownership	1,394,426
35. Special Cost Centers	413,296
35. Provider Participation Fee	154,395
37. Other	0
40. Total Expenses	9,020,760
41. Income Before Income Taxes	270,640
42. Income Taxes	0
43. Net Income or Loss for the Year	270,640

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Line 16 for mortgage insurance.